

WASHINGTON, D.C. – Congresswoman Loretta Sanchez (CA-47) today slammed health insurer Blue Shield of California for its decision to seek huge rate increases for tens of thousands of Californians on March 1. Under Blue Shield's proposal, some individual policyholders would see cumulative rate hikes as high as 59%. Over 190,000 policyholders would see increases averaging 30% to 35%.

"I am absolutely outraged by Blue Shield of California's decision to seek a drastic rate increase at a time when record numbers of Californians are out of work and struggling to insure themselves and their families. Under the proposed plan, nearly a quarter of affected policyholders will see rate increases of more than 50% over five months. That is absolutely unconscionable. Blue Shield of California must reexamine its decision given the catastrophic impact it will have on families in Orange County and across the state."

Less than a year ago, Anthem Blue Cross tried and failed to raise rates as much as 39% for about 700,000 California customers. These types of abusive rate increases were one of the reasons why Democrats fought for health care reform. Under the Affordable Care Act, health insurance companies are required to publicly report the percentage of total premium revenue that is used for actual health care services for beneficiaries. The Affordable Care Act also holds health insurance companies accountable for unjustified premium increases. These provisions will protect Americans from the kinds of outrageous premium rate increases that Blue Shield of California is attempting to implement.

Congresswoman Sanchez urges her colleagues in the California Delegation and her constituents in Orange County to contact Blue Shield of California to express their outrage and concern over its proposed rate increase. Policyholders and other members of the public can call the insurer toll free at (888) 568-3560 or TTY at (888) 595-0000.